

Medicaid Schools

<http://www.doe.in.gov/specialed/school-based-medicaid>



Special Interests

MEDUCAID NEWS, PG 2

- **Indiana Schools' Medicaid Participation Increasing**
- **Ritz Speaks at Student Health Coverage Rally**
- **School Audit in Maine**

Check Out the Latest Editions Online!

Medicaid Billing Tool Kit:
[February 2013](#)

Medicaid Billing Guide:
[July 2011](#)

Medicaid (IEP and MAC) Reimbursements Report:
SFY13 as of [06/30/2013](#)

Newsletter Search Tips and Fast Facts Locator:
[Medicaid in Schools Newsletter Archive](#)

Learning Connection:
[IDOE Medicaid in Schools Community](#) - your online connection to School-based Medicaid Announcements, Files & Bookmarks, Forum Discussions and an Events Calendar.

Coming Soon...
Opportunity for Public Comment on proposed Medicaid

October 2014 Switch to "ICD-10" Impacts Schools' Medicaid Claims for IEP Services

School corporations are among the list of Indiana Medicaid-participating service providers that will be affected when the Medicaid claims processing system begins using the newest version of standardized international diagnosis codes [see Medicaid Billing Tool Kit Section 2.5.8.]. All insurance and health coverage programs, including Medicaid and Medicare, are required to use the *International Classification of Diseases, 10th Revision* ("ICD-10") beginning October 1, 2014.

All Medicaid claims for IEP services must include the diagnosis codes associated with services billed. Medicaid/Indiana Health Coverage Programs (IHCP) offers opportunities for software and "clearinghouse" (electronic data

interchange service) vendors to conduct testing before ICD-10 changes go into production mode in the Medicaid claims processing system next year.

See the IDOE Medicaid in Schools Community's Files and Bookmarks tab on the Learning Connection for copies of Medicaid provider bulletins about the 10/1/2014 changes and opportunities for vendors to conduct readiness testing in advance. School corporations that claim Medicaid reimbursement for covered IEP health-related services are encouraged to check with their Medicaid medical billing agent vendors concerning how these changes may impact their business operations and readiness for Medicaid's October 1, 2014 switch to the ICD-10 diagnosis code set.

Sample Initial and Annual Medicaid Consent Notice in English & Spanish

Indiana's Special Education Rule still requires Indiana schools to obtain parental consent to bill Medicaid for IEP services at least once per school year and "each time" there's a change in the amount, frequency or type of health-related IEP services that will be billed to Medicaid. But, to help schools comply with [recent changes in the federal IDEA Part B regulation on Medicaid consent](#),

new sample forms in English and Spanish are available on [IDOE's public Web site](#). IDOE's Web site and Learning Connection offer a sample 1-page form combining the required prior written notice to parents and request for consent to bill Medicaid. A new sample [Notice of Procedural Safeguards](#) incorporates the federal requirement for annual notice to parents who have given consent.

Newsletter
SM2013-03

Summer 2013

Did you know?

- IDOE updated its Web site; URLs for "Favorites" may have changed!
- 9/13/13 is the sign up deadline to begin Indiana-MAC participation in fall (Oct) 2013.
- On 10/1/2014, ICD-10 diagnosis codes will be required on all Medicaid claims; information on vendor software testing & training opportunities is available at [indi-anamedicaid.com](http://indianamedicaid.com).



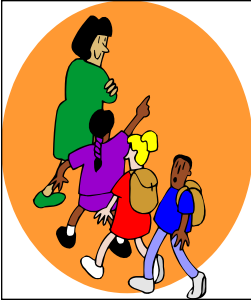
In SFY 2013: 142 districts claimed Medicaid reimbursements for IEP services; 90 participated in Medicaid Administrative Claiming

School Medicaid Participation Increasing in Indiana

Increasing from a total of 110 participating districts in 2008 to 142 in 2013, the Indiana public school corporations that billed Medicaid for covered IEP services claimed total reimbursements of \$7,738,005 (approximately \$5.2 million in new, unrestricted federal funds) during State Fiscal Year 2013. Indiana Medicaid reimbursements for health-related IEP services, such as speech, physical and occupational therapy, nursing, audiology and behavioral

health services, range from \$10.83 per 15 minutes of nursing services provided by an R.N. to \$119.49 for a psychiatric diagnostic interview performed by a qualified mental health professional. To see the amounts claimed by individual school corporations and charter schools, visit the IDOE School-based Medicaid Web page, <http://www.doe.in.gov/specialed/school-based-medicaid>, and click on the [School Corp Medicaid Report](#) under General Information.

In October 2011, Indiana implemented another type of school-based Medicaid claiming (Medicaid Administrative Claiming or “MAC”), which allows schools to recover some of their costs to help students with unmet medical needs. In the first 3 quarters of State Fiscal Year 2013, 90 IndianaMAC-participating districts claimed unrestricted federal Medicaid administrative funds totaling \$2,837,116. See Tab 2 of the [School Corp Medicaid Report](#).



Back to School Rally Promotes Health Coverage for Students

Emphasizing the links between student health and learning, Superintendent of Public Instruction Glenda Ritz spoke at an August Back to School Rally about the role schools can play in connecting children to health care coverage and services. Other speakers at the annual Covering Kids & Families-

Indiana media event announced new programs to help identify and enroll uninsured children in health care coverage.

According to a report prepared for the Indiana Family and Social Services Administration, an estimated 156,000 (over 9%) of Hoosier children under 19 were uninsured

in September 2012. See the “Resources to Help Students” folders in Learning Connection [Medicaid in Schools Community Files & Bookmarks] for ideas on health coverage outreach, enrollment assistance and other school strategies to help improve students’ access to health care services.

Maine Audit Finds Improper Medicaid Payments to Schools

In [audit results](#) published by the U.S. Department of Health and Human Services, reviewers from the Office of Inspector General (OIG) found evidence of improper Medicaid payments for health-related IEP services provided by a public school department in Maine. Based on review of a sample of Medicaid claims for school-based services, the OIG determined that reimbursement was improperly claimed for services that were not adequately supported by documentation or that were per-

formed by unqualified service providers.

For some of the claims reviewed, the school lacked documentation of the referral, order or prescription that Medicaid requires for therapy services. In other cases Medicaid reimbursement was improperly claimed for services provided on dates when the student was absent from school or after the date that the student dropped out of school. There were also instances of improper claiming for speech therapy services that were not provided by or under the super-

vision of a licensed and certified speech-language pathologist.

Of over \$5 million in total Medicaid reimbursements claimed by the public school department during the audit period, the OIG estimated that \$1,039,046 (\$667,569 federal/\$371,477 state) were improper. The audit report recommended that the Maine Medicaid agency strengthen its oversight of school-based claiming and work with the school department to return the improper payments.



Medicaid Schools

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The Indiana Department of Education provides technical assistance to Medicaid-participating public school corporations and charter schools. The Department also offers insight and information to schools interested in Medicaid claiming opportunities. Please visit the Department's Web site for free downloadable handbooks, brochures, form templates, slide presentations, reports, quarterly newsletters, and other resources. At left is a link to IDOE's School-based Medicaid Web page, along with contact information for IDOE staff who can answer questions and provide additional information about federal Medicaid matching funds available for school-based services and activities.

All are welcome to become members of the IDOE Medicaid in Schools Community on the Learning Connection. Contact your school corporation's Learning Connection administrator for access.



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WEB!

[HTTP://
WWW.DOE.IN.GOV/
SPECIAL-ED/SCHOOL
-BASED-MEDICAID](http://WWW.DOE.IN.GOV/SPECIAL-ED/SCHOOL-BASED-MEDICAID)

Conference Connections: Medicaid and Special Education

National Alliance for Medicaid in Education (NAME) — Oct 8-11, 2013
Grand Rapids, Michigan
medicaidforeducation.org

Indiana Council of Administrators of Special Education, Fall ICASE — September 26 & 27, 2013
www.icaso.org

Across the Nation

In April 2013, the National Alliance for Medicaid in Education, NAME, Inc., issued results of its latest national survey of school-based Medicaid programs. Of 24 states that responded to the survey, Indiana and one other state ranked highest in percent of federal Medicaid dollars retained by local schools (97%). In the majority of states, school districts retain less than 95% (in one case, as little as 35%) of the federal portion of Medicaid reimbursements that schools claim for covered health-related IEP services.

According to the NAME 2011 Biennial Survey Report, some states' Medicaid, Education, Budget or Treasury agencies receive part of the federal

Medicaid funds claimed by schools. This helps to defray costs for State (or contracted third party administrator) systems, policy and technical support of school-based Medicaid claiming programs.

The NAME survey results indicate that Medicaid programs in each of the responding states reimburse schools for IEP-required occupational, physical and speech therapy services. In most but not all of the states that responded to the survey, Medicaid pays for IEP-required nursing and behavioral health services. The complete survey report is available only to members of the National Alliance for Medicaid in Education on the [NAME Web site](#).

